AZ Medicaid Outpatient Workgroup Meeting

June 23, 2004
4:00 PM to 5:00 PM
AHCCCS 701 E. Jefferson St. – 3rd Floor - Gold Room

Meeting Hosted By: Sara Harper, AHCCCS

Facilitator: Lori Petre, AHCCCS

Attendees:

(Based on sign-in sheets)

ADHS	**Healthchoice AZ**
Jeanine Baer	*Lorie Owens*
Leland Cisney	*Kathy Thurman*
Jerri Gray	*Joan Toland*
AHCCCS	*Mike Uchrin*
Barbara Butler	**MCP/Schaller Anderson**
Melonie Carnegie	*Jen Hayes*
Cia Fruitman	*Pam Hydrick*
Dora Lambert	*Cathy Jackson-Smith*
John Murray	*Garell Jordan*
Kyra Westlake	*Anne Romer*
Americhoice	**PHP**
Karen Gaskil	*Greg Lucas*
Brenda Reininger	**PHS**
APIPA	*Mark Hart*
Alexia Cathers	*Mary Kaehler*
Sharon Zamora	*Marsha LaBlanc*
Care 1st Arizona	**UFC**
Anna Castaneda	*Kathy Oestreich*
CMDP	*Kathy Steiner*
Felicana Rincon	*John Valentino*
DES	**Yavapai County**
Marcella Gonzalez	*Dave Soderberg*
EP&P	
Sue Carter	
Evercare	
Steven Iles	
Vickie Johnson	

Current Status/Timeline (Lori Petre)

Does everyone have package #2? The minutes from the last meeting are attached. Please review them and let us know if you have questions, comments or revisions that you would like to see. Thank you, Cia, for going through the minutes in Sara's absence. Next is a copy of the schedule, and it has not changed. We did have a slight delay in getting all of the requirements, but I believe that we have all of those now. One of the things that we talked about in the internal meeting that we held this morning was that we needed to be open to exceptions that are identified as we progress. The only known final requirement that we have not received yet is on the surgery, the 100% versus 50% rules. It will come as a change request to the requirements, and it will be logged as such, and then we will share it with all of you.

Sara Harper – The surgeries are going to be paid 100/50 split with the exception that some of the surgeries are 100/100, just based on the type of surgery that they are and the parameters within. There are going to be those exceptions. We have not yet fine-tuned and detailed all of those exceptions that will not be a 100/50 split. There will be a table of those surgeries that are on the exception list.

If that does mean that we add an additional table, we will get that table layout and specifications to you as soon as the requirement comes to us. I did schedule the meetings out through 9/15/04. Hopefully everyone did receive those. If you did not, please let me know. I will be sending out a confirmation for every one of the times. Sometimes the timeframes are not real standard as this room is not always available, and it is the only room that is big enough to do this. Occasionally they do get shifted slightly. I do know that the 9/15/04 meeting is one that got shifted to the morning rather than the afternoon due to room availability. We are going to share with you the current requirements documents for Reference, Provider and Encounters. Our next step is to take these requirements and get final sign off from the customer areas. I do know that the reference one is signed off. Brent does have the encounter requirements, and Kathy has the Claims requirements. Our next step is to actually go into design. One of the things we talked about in our internal meeting this morning is that a lot questions we were picking up in this meeting with the group had a lot to do with the "how", and the design is when we start to answer the how. We pretty much jump into design after the requirements are finalized. We will start sharing those designs even in a draft aspect as soon as we have those together. We do have a pretty aggressive timeline for getting those out to you.

Project Email Address/WEB Site Status (Lori Petre)

I just want to remind everybody that we do have an email address for the project. We have Sue Carter waiting to answer your questions. We have received two emails to the Outpatient Workgroup email address to date. One of which I redirected, and Sara answered the other. Dora will be monitoring and tracking those issues throughout the day. We continue to work on the layout of website so you will have a place to go and pull the Outpatient information. We are working on getting all of that posted.

System Requirements Status/Table Layouts (Lori Petre)

The requirements documents are actually in the back of the package, and they are the next things on the agenda. I asked Mike to stamp the two that are unsigned as DRAFT. The reason for that is while they are with our customers, they are still open, and they still have the right to clarify those requirements. Take a look at the requirements. If you have questions, comments, etc., please let us know. This is the final requirements document for provider and reference. If we do end up adding another table for the surgical situation that Sara talked about, we will revise this document and distribute it once again. We have not made any other changes to the table layouts that were provided at the last meeting. Those table layouts and their structures are what ended up in the requirements so you can feel pretty comfortable that is the direction that we are going with those.

Again, if there are any surprises as John Murray gets into it, we will revise the documentation and get the revisions out to you right away. We are not anticipating any at this time.

Q: Regarding the website status, where will we go for this?
A: You will be able to go to the HIPAA website. It will be renamed with Technical Information or Technical Program Information/HIPAA. You will be able select the Outpatient option. We will try to get that done as soon as possible. In the meantime, if you do need soft copies of any of the documents, let us know. We are maintaining the same library structure. We are just unable to post it to the web yet.

RF773/RF774 Overview/Examples (Lori Petre)

The other thing that Sara had asked us to emphasize was the RF773/RF774. We talked about those tables and the flows. Those are our Revenue Codes-To-Procedure Codes (RF773) and Revenue Codes-To-Bill Types (RF774) tables. I did pull from the Encounter Reporting User Manual the descriptive on those tables and what is in them. I also printed a couple of examples from the table. Everyone to a certain extent is probably using these tables; it is just under this process they become very critical tables. They would tell you whether or not for this bill type and revenue code if a HCPCS code is required or not or if it is optional, and then what those allowable HCPCS or CPT codes are. They are important tables. Please take a look at that, and let us know if you have any questions, comments or concerns about the data being presented.

Q: Did you resolve the issue regarding the modifier?
A: Sara Harper – We have not defined all of the modifiers yet. We do not want to create different modifiers by form type. We want to have modifiers consistent for you.

Q: Do you have a modifier value table?
A: Lori Petre - We do for the 1500. Let me just clarify. For example, a 51 modifier can pay 30 % or 60%, and it becomes procedure specific. That would be consistent with what you do on the 1500.
Sara Harper – We are not going to make it unique by form type; however, they were currently used would be continued.
Lori Petre – The 26 modifier is the one that comes to mind, and that would be a good example across form types. In our structure, the current table can have many different values for a modifier.

Discussion of Data Issues – Units (Lori Petre)

Another thing we wanted to get you thinking about, and this is not necessarily something that we have to come up with a laundry list on today. Because we are changing the dynamics of the outpatient claim, it becomes real important that the hospitals understand what they were billing. The one thing that we did notice on the examples is that the unit values really do not represent what the code is. It looks like more often than not they are defaulting to a 1, because it is not impacting their payment. Units seem to be the bigger issue. Keep in mind as you are going through your system and your claims those sort of things. They are things that are great to share with the group. We will be talking with the hospitals probably in mid-August. If there are corrections to behaviors that have been identified, then we can start addressing them at that point. We would like to prepare another set of examples. We would like to use complicated situations. We would like to make sure that we are showing you how our process would handle situations that you may have within your health plan. If you could start emailing those to us, we would like to start putting them together. We started a library of those examples we have put together to date, and we will use those as some initial basis for testing and share those results.

Q: What do you want us to send you?
A: You can send a claim. You can send an email of some scenario you would like to see. It is fabulous if you have a claim that you can send us! If you have a specific situation that you would like to see, send it to us. We will use those as building blocks through the process.

Q: Which surgeries are you speaking of when talking about surgery?
A: Cia Fruitman - All outpatient surgeries that done in the hospital. Some hospitals have free standing ASC where they will have a different provider ID and are licensed separately. Some hospitals have ASC, but they are still part of that hospital and are paid under the same provider ID. When they are paid under the same provider ID, then these rates apply. If they divorce the ASC from the hospital, then they are paid by ASC rates.
Sara Harper – However, in your contracts, if you want to carve out surgery and not do the fee schedule, then that is an opportunity for you. If you would rather not worry with our fee schedule methodology for outpatient surgery because you have all of your outpatient surgeries under the ASC model that you use, and it works for you, there is no reason to change that.

Wrap-Up (Sara Harper)

Regarding the survey that we recently conducted inquiring about your system capability, contacts, etc. We got responses back from just about everybody. We are currently compiling this data. In August, after the final requirements are out and some of the logic has been provided to you, we are looking at putting together some smaller groups. Sue Carter is the consultant that will be working with us on the technical implementation of this, and helping you to do it as well so that our IS people can work on our system issues.

Another thing that I wanted to mention was Senate Bill 1410, passed the requirement that between 7/1/04 and 6/30/05 any outpatient existing service charge increases that exceed the 4.7% will require an adjustment to the hospital specific cost to charge ratio (CCR) effective the date that the new rate would go into effect. We had 17 hospitals that had filed rate increases with DHS effective for 7/1/04. Four of those did not result in a CCR adjustment. We do have 13 hospitals that the effective date of the fee for service CCR adjustment will be 7/7/04 rather than 7/1/04 due to statutory public notice requirements and timing. At the time that all of this came about, we did not have the time to do the appropriate notice so we did not want to upset any of our entities. Tomorrow we will be distributing the packets and notices. I do not have numbers readily available, but I will give you a summary of the hospitals that are involved. There are hospitals that have adjustments that are going to impact their CCR. The 2 CHW hospitals, which are Chandler and St. Joe's Phoenix, Scottsdale Osborn and Shea, Flagstaff, Winslow, Verde Valley group, Maricopa, Kingman and University Medical Center.

Q: Is this information going to be emailed or sent to the plan in a memo?
A: That will be sent in the standard communication that we have established for rate updates which is usually a memo that goes to all health plan CEOs, and Program Contractor administrators, to the ADHA, the hospital association on each one, and to the hospitals. They will get a packet of the 13 changes attached to one memo.

Q: So we should tell the CEOs to expect it tomorrow?
A: It is going out tomorrow. I believe that it is going to be faxed and mailed tomorrow.

Q: What about Banner?
A: These are hospitals that requested a 7/1/04 increase. Hospitals can request an increase on any day 365 days a year. They usually go a fiscal year. Banner's just does not happen to be on 7/1/04. We had not heard that Banner was going to be a part of the 7/1/04 increase. We will follow-up because ADHS has not been notified nor have we. The rates are effective 60 days post the request so for them to have a 7/1/04 update they had to have things in to ADHS by 5/1/04. I have been talking with ADHS daily, and their documentation has not indicated that Banner had anything in as they are sending it to me as they get it. I will follow-up just to make sure that something did not fall through the cracks, because that is about 6 hospitals right there.

Action Item: Sara Harper
To follow-up on Banner to find out if they are going to be a part of the 7/1/04 increase.

Between now and 6/30/05 we will be monitoring each hospital to see what they do. These 13 hospitals that we are providing an adjustment for now, this is their one update that they are allowed for outpatient services until next 7/1, so we won't have anymore adjustments to these particular hospitals until after this law goes away and the fee schedule is in place. The law limits them to one per year. If you have any questions, please feel free to email me direct or send it to the Outpatient Workgroup.

Next Meeting (Lori Petre)

The next meeting is scheduled for 7/14/04. Sara won't be here for that meeting, but Cia will cover for Sara. If you have suggestions for topics that you would like covered in the next meeting, please let us know.

Meeting adjourned.